GUJARAT GAS COMPANY LIMITED

Registered Office: 2, Shanti Sadan Society, Near Parimal Garden, Ellisbridge, Ahmedabad - 380006, Gujarat, India

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Advertisement under Regulation 18(7) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

This Advertisement is being issued by JM Financial Institutional Securities Private Limited (the "**Manager to the Offer**"), on behalf of GSPC Distribution Networks Limited ("**GDNL**" or the "**Acquirer**"); and Gujarat State Petroleum Corporation Limited ("**GSPC**" or the "**PAC 1**"), Gujarat State Petronet Limited ("**GSPL**" or the "**PAC 2**") and GSPC Gas Company Limited ("**GSPC Gas**" or the "**PAC 3**") as the persons acting in concert (together the "**PAC**") with the Acquirer pursuant to Regulation 18(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(the "**SAST Regulations**") in respect of the open offer (the "**Offer**") to acquire up to 33,345,000 fully paid up equity shares of ₹ 2 each (the "**Equity Shares**") of Gujarat Gas Company Limited (the "**Target Company**"). The detailed public statement (the "**DPS**") with respect to the Offer was published on October 10, 2012 in the following newspapers:

Newspaper	Language	Editions
Financial Express	English	All
Janasatta	Hindi	All
Mumbai Lakshadeep	Marathi	Mumbai
Financial Express	Gujarati	Ahmedabad

1. Offer price is ₹ 314.17/- (Rupees Three Hundred Fourteen and Seventeen Paise Only) per Equity Share. There has been no revision in the Offer Price. In terms of Regulation 18(11), Securities and Exchange Board of India ("**SEBI**") vide its letters dated December 28, 2012 and January 11, 2013 permitted the Acquirer to open the Offer and delay the payment of consideration subject to payment of interest @10% p.a. for the period commencing post February 1, 2013 till the date of actual payment of consideration under the Offer.
2. Committee of independent directors (hereinafter referred to as "**IDC**") of the Target Company recommends that Offer Price is fair and reasonable. The IDC's recommendation was published on January 25, 2013 in the same newspapers where the DPS was published.

   The relevant extracts of the recommendations of the IDC in relation to the Offer, including the Offer Price are as follows:

a)	Members of the IDC	Mr. Jal Patel (Chairman), Prof. Pradip Khandwalla, Mr. Ajit Kapadia and Mr. Sudhir Mankad
b)	Recommendation on the Offer as to whether the Offer is fair and reasonable	IDC is of the considered view that the Offer Price is fair and reasonable.It may be noted that the Offer is subject to the Commercial and Legal risks highlighted in the Letter of Offer, inter alia, including the procurement of the requisite statutory approvals for consummating the Offer.
c)	Summary of reasons for recommendation	IDC recommends acceptance of the Offer made by the Acquirer together with the PAC, as the Offer Price of ₹ 314.17 (Rupees Three Hundred and Fourteen and Seventeen Paise only) per fully paid-up equity share is fair and reasonable based on the following reasons: 1) The IDC has perused the Share Valuation Report received from the Independent Advisors which indicates that the Offer Price is higher than the value ascertained by them. 2) The Book Value per Share of the Target Company is ₹ 71.13 as on 30 June 2012, which is less than the Offer Price i.e. ₹ 314.17. 3) The Offer Price represents 6.5% premium on the per share price payable to the promoters.
d)	Details of the Independent Advisor	Haribhakti & Co., Chartered Accountants, Mumbai

3. The Offer is not a competing offer in terms of Regulation 20 of the SAST Regulations.
4. The Letter of Offer dated January 16, 2013 ("**LOF**") has been dispatched to all the Equity Shareholders on January 21, 2013.
5. Please note that a copy of the LOF (including the Acceptance Form) will also be available on SEBI's website (www.sebi.gov.in) and Equity Shareholders can also apply by downloading such forms from SEBI's website. Further, in case of non-receipt/ non-availability of the Acceptance Form, the application can be made on plain paper along with the following details:
   a. **In case of Equity Shares held in physical form:** Name(s) and address(es) of joint holder(s) (if any), number of Equity Shares held, number of Equity Shares offered; distinctive numbers, folio number, original share certificate(s) and valid share transfer form(s). The details of the Acquirer should be kept blank on the share transfer form.
   b. **In case of Equity Shares held in dematerialized form:** Name, address, number of Equity Shares held, number of Equity Shares tendered, depository participant ("**DP**") name, DP ID, beneficiary account number and a photocopy of the delivery instruction slip in "**Off-Market**" mode, duly acknowledged by the DP in favor the Special Depository Account. The details of the special depository account are as under:

Depository Participant Name	Karvy Stock Broking Limited
DP ID	IN300394
Beneficiary Account Number/Client ID	18507565
Special Depository Account Name	Gujarat Gas – Open Offer Escrow Demat Account
ISIN	INE374A01029
Depository	National Securities Depositories Limited
Mode of Instruction	Off-Market

   Equity Shareholders having their beneficiary account with CDSL have to use inter-depository delivery instruction slip for the purpose of crediting their Equity Shares of the Target Company in favor of the Special Depository Account with NSDL.

   The Equity share certificate(s), transfer deed, photocopy of delivery instruction slip, Acceptance Form and other relevant documents, as required should be sent only to the Registrar to the Offer, at the collection centres mentioned in paragraph VII (3) of the Letter of Offer or to Karvy Computershare Private Limited, Unit: Gujarat Gas Company Limited - Open Offer, Plot No. 17-24, Vithalrao Nagar, Madhapur, Hyderabad - 500081. Tel: +91 40 44655000/23420818 - 23, Fax: +91 40 23431551 so as to reach the Registrar to the Offer on or before 5.00 pm on February 12, 2013 (i.e. the date of closure of the Tendering Period). The aforementioned documents should not be sent to the Acquirer, PAC, Target Company or Manager to the Offer.
6. In terms of Regulation 16(1) of the SAST Regulations, the Draft Letter of Offer was submitted to SEBI on October 17, 2012. The final observations were received from SEBI vide its letter no. CFD/DCR/TO/CB/OW/28/25/12 dated December 14, 2012 and these observations have been incorporated in the Letter of Offer. A corrigendum to the DPS ("**Corrigendum**") was published on January 19, 2013 in the same newspapers where the DPS was published.
7. There have been no other material changes in relation to the Offer, since the date of PA on October 3, 2012, save as otherwise disclosed in the DPS and the Corrigendum to the DPS.
8. The status of statutory and other approvals is as follows:
   a) The Acquirer and the Target Company had jointly filed a notification with the CCI in Form II on November 1, 2012, seeking its approval for the acquisition of the Sale Shares pursuant to the SPA and the acquisition of the Equity Shares pursuant to this Offer. The approval of the CCI was received vide its order dated January 8, 2013.
   b) The Acquirer and the Seller had made a joint application to the RBI on November 16, 2012, seeking its approval for purchase of Sale Shares from the Seller at the Negotiated Amount. The RBI has, vide its letter dated January 3, 2013, granted its approval.

   As on date, to the best of the knowledge of the Acquirer, there are no other statutory approvals required to implement the Offer. However, in case of any regulatory or statutory approval being required at a later date before the closure of the Offer, the Offer shall be subject to all such approvals and the Acquirer shall make the necessary applications for such approval.
9. **Schedule of Activities**

Activity	Date	Day
Public Announcement (PA) Date	October 3, 2012	Wednesday
Publication of Detailed Public Statement (DPS) Date	October 10, 2012	Wednesday
Last date for making a competing offer	November 2, 2012	Friday
Identified Date*	January 15, 2013	Tuesday
Date when Letter of Offer were dispatched	January 21, 2013	Monday
Date of commencement of tendering period	January 30, 2013	Wednesday
Date of closure of tendering period	February 12, 2013	Tuesday
Date by which acceptance/rejection would be intimated and the corresponding payment for the shares and/or the share certificate for rejected shares will be dispatched	February 27, 2013	Wednesday
Date by which the underlying transaction which triggered open offer will be completed**	August 28, 2013	Wednesday

** The Identified Date is only for the purpose of determining the Equity Shareholders as on such date to whom the Letter of Offer would be sent. It is clarified that all the Equity Shareholders (registered or unregistered) of the Target Company (except the Acquirer, PAC, Seller and persons deemed to be acting in concert with Seller) are eligible to participate in this Offer at any time prior to the closure of this Offer.*

*** As per Regulation 22(3) of SAST Regulations*

Capitalized terms used but not defined in this Advertisement shall have the same meaning assigned to such terms in the PA, the DPS and the Letter of Offer.

A copy of this Advertisement is expected to be available on SEBI's website (www.sebi.gov.in).

For further details, please refer to the Letter of Offer issued by the Acquirer and the PAC.

Issued by Manager to the Offer for and on behalf of the Acquirer and the PAC

JM FINANCIAL

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SEBI Registration Number: INM000010361

Place : Gandhinagar

Date : January 28, 2013

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Ad size: 12cm x 40 cm